

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, JUNE 3, 2008**, upon the application of **HILCORP ENERGY COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **25 Sand, Reservoir 078, the Lower 25 Sand, Reservoir 078, the Upper 31 Sand, Reservoir E2, the 22 Sand, Reservoir 078 and the J Sand, Reservoir 078**, in the Caillou Island Field, Terrebonne Parish, Louisiana.

25 SAND, RESERVOIR 078

1. To redefine the 25 Sand, Reservoir 078, previously defined in Office of Conservation Order No. 411-JJJJ, effective March 22, 1988.
2. To designate the LL&E No. 5 Well as an alternate unit well for the 25 R078 SUA.
3. To designate Hilcorp Energy Company as operator of the 25 R078 SUA.
4. That all other pertinent provisions of Order No. 411-JJJJ, effective March 22, 1988, and Order No. 411-JJJJ-1, effective January 4, 1994, shall remain in full force and effect.
5. To consider such other matters as may be pertinent.

The 25 Sand, Reservoir 078 was previously defined in Order No. 411-JJJJ, effective March 22, 1988, and is hereby redefined as being that oil and gas bearing sand encountered between the depths of 4,230' and 4,306' (electric log measurements) in the Hilcorp Energy Company-LL&E No. 5 Well, located in Township 23 South, Range 20 East.

LOWER 25 SAND, RESERVOIR 078

1. To redefine the Lower 25 Sand, Reservoir 078, previously defined in Order No. 411-DDD-1, effective June 6, 1995.
2. To designate the LL&E No. 5 Well as a substitute unit well for the L 25 R078 SUA.
3. To designate Hilcorp Energy Company as operator of the L 25 R078 SUA.
4. That all other pertinent provisions of Order No. 411-DDD-1, effective June 6, 1995 and Supplement to Order No. 411-DDD-1, effective June 16, 1997, shall remain in full force and effect.
5. To consider such other matters as may be pertinent.

The Lower 25 Sand, Reservoir 078 was previously defined in Order No. 411-DDD-1, effective June 6, 1995, and is hereby redefined as being that oil and gas bearing sand encountered between the depths of 4,320' and 4,470' (electric log measurements) in the Hilcorp Energy Company-LL&E No. 5 Well, located in Township 23 South, Range 20 East.

UPPER 31 SAND, RESERVOIR E2

1. To designate the LL&E No. 5 Well as a substitute unit well for U 31 RE2 SUA.
2. To designate Hilcorp Energy Company as operator of the U 31 RE2 SUA.
3. That all other pertinent provisions of Order No. 411-FFF, effective January 10, 1979 and Order No. 411-FFF-2, effective April 7, 1987, shall remain in full force and effect.
4. To consider such other matters as may be pertinent.

The Upper 31 Sand, Reservoir E2 was previously defined in Order No. 411-FFF, effective January 10, 1979.

22 SAND, RESERVOIR 078

1. To establish rules and regulations governing the exploration for and production of oil and gas from the 22 Sand, Reservoir 078.

CAILLOU ISLAND FIELD

08-770 thru 08-774

2. To create a single drilling and production unit for this sand and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
3. To designate Hilcorp Energy Company as operator of the 22 R078 SUA.
4. To designate Hilcorp Energy Company's LL&E No. 5 Well as the unit for the 22 R078 SUA.
5. To provide that the 22 Sand, Reservoir 078, should be exempt from the spacing provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify the Reservoir by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner of Conservation.
7. To consider such other matters as may pertinent.

The 22 Sand, Reservoir 078 is hereby defined as being that oil and gas bearing sand encountered between the depths of 4,766' and 4,798' (electrical log measurements) in the Hilcorp Energy Company-LL&E No. 5 Well, located in Township 23 South, Range 20 East.

J SAND, RESERVOIR 078

1. To establish rules and regulations governing the exploration for and production of oil and gas from the J Sand, Reservoir 078.
2. To create a single drilling and production unit for this sand and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
3. To designate Hilcorp Energy Company as operator of the J R078 SUA.
4. To designate Hilcorp Energy Company's LL&E No. 5 Well as the unit for the J R078 SUA.
5. To provide that the J Sand, Reservoir 078, should be exempt from the spacing provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify the Reservoir by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner of Conservation.
7. To consider such other matters as may pertinent.

The J Sand, Reservoir 078 is hereby defined as being that oil and gas bearing sand encountered between the depths of 4,924' and 4,998' (electrical log measurements) in the Hilcorp Energy Company-LL&E No. 5 Well, located in Township 23 South, Range 20 East.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

**JAMES H. WELSH
COMMISSIONER OF CONSERVATION**

Baton Rouge, LA

4/29/08;5/2/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN(10) WORKING DAYS OF THE HEARING DATE.